

63-77

27 December 1962

Card
MEMORANDUM FOR: Dr. James R. Millian, Jr.
Chairman
President's Foreign Intelligence Advisory Board

For some time I have been concerned with the position of the Director of Central Intelligence and the Deputy Director as members of the Executive Department of the Government. In some respects this is measured by the status of the positions under the Federal Executive Pay Act of 1956. As I have mentioned to you in the past, the Director of Central Intelligence under present regulations falls in category IV and the Deputy Director in category V under the FEPA. Prior to the passage of this Act in 1956 these categories were known as Group VII and Group VIII.

It is my belief that if the DCI is to discharge the responsibilities which your Committee has envisaged in its recommendations, it should be included in category I which now includes 10 Cabinet positions, Director of Office of Emergency Planning, 26 Ambassadors and 31 four-star Generals and Admirals.

The Deputy Director should in my opinion be included in category II which includes among others the Under Secretary of State, Deputy Secretary of Defense, the Comptroller General, the Director of the Bureau of the Budget and the Chairman or the Administrator of principal agencies such as AID, NSA, AEC, FOA, and the Commission on Civil Rights.

I intend to bring this matter to the attention of the President. Changes proposed could be accomplished by an amendment to the National Security Act of 1947 or be made part of the new Executive Pay Bill providing one is considered by the Congress.

I am attaching lists showing the distribution of senior government employees by groups and categories and also the proposed amendment to the National Security Act of 1947.

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White House

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APPENDIX "B"

A BILL

To amend the National Security Act of 1947, as amended, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SEC. 2. The National Security Act of 1947, as amended, is further amended by inserting the following section at the end of section 102(a):

"Except as provided in paragraph (b)(2) of this section, the Director shall receive basic compensation at the rate of \$25,000 per annum and the Deputy Director shall have the rank of an Under Secretary and shall be compensated at a rate not to exceed the rate authorized by law for any Under Secretary of an Executive department."

ED. M. A. H. MAL

Group 7 - Cont'd.

\$21,000

Category IV of FEPA

Under Secretary of the Treasury
Under Secretary of the Treasury for Monetary Affairs
Deputy Postmaster General
Under Secretary of the Interior
Under Secretary of Agriculture
Under Secretary of Commerce
Under Secretary of Commerce for Transportation
Under Secretary of Labor
Under Secretary of Health, Education, and Welfare

(* Notwithstanding the provisions of subsection (2), the annual rate of compensation of the Director of the Federal Bureau of Investigation shall be \$22,000 so long as such office is held by the present incumbent.)

Other

Special Counsel to the President
Secretary to the President (2)
Deputy Director, Office of Emergency Planning (formerly OCDM)
Associate Administrator, NASA
Deputy Attorney General
Lieutenant General and Vice Admiral (Three-Star) - 97 positions
(Actual \$21,126)

Group 8

\$20,500

Category V of FEPA

Deputy Director of Central Intelligence
Chairman of Regulatory Commissions and Boards and Others

Group 9

\$20,000

Category VI of FEPA

This category includes Assistant Secretaries of cabinet posts and various administrators and commissioners of independent agencies. Also includes Under Secretaries and Assistant Secretaries of the three military services and career Ambassadors.

SECRET

It will interest your Committee to know that there are about 150 positions in the government with compensations in excess of the salary provided for category IV of the FEPA.

JOHN A. McCONE
Director

Attachments - 2

JAM/mfb

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APPENDIX "A"

GROSS ANNUAL SALARY

(Including Allowances Payable in U.S., Where Applicable)

Note: FEPA refers to Federal Executive Pay Act of 1956

Group 1
\$29,126
Chairman, Joint Chiefs of Staff
Chiefs of Staff, Army and Air Force
Chief of Naval Operations
Commandant of Marine Corps

Group 2
\$27,500
Ambassador, Class 1 - 18 positions

Group 3
\$25,000
Category I of FEPA
10 Cabinet Positions

Other

Ambassador, Class 2 - 26 positions
Director, Office of Emergency Planning (formerly
Director, OCDM)
Four-Star General and Admiral - 31 positions
(Actual \$25,226)

Group 4
\$22,500
Category II of FEPA
Director, Bureau of the Budget
Comptroller General of the United States
Under Secretary of State
Deputy Secretary of Defense

Other

Chairman, Atomic Energy Commission
Administrator, Federal Aviation Agency
The Assistant to the President
Staff Director, Commission on Civil Rights
Administrator, NASA
Director, AID
Chief of Overseas Missions, AID
Director, U. S. Arms Control and Disarmament Agency
U. S. Representative to Economic and Social Council, State

Group 4 - Cont'd.

\$22,500

Other

U. S. Representative to Trusteeship Council, State
U. S. Representative to International Atomic Energy
Commission, State
Ambassador, Class 3 - 24 positions
Counsellor of U. N. Mission, State

Group 5

\$22,000

Category III of FEPA

Secretary of the Army
Secretary of the Navy
Secretary of the Air Force

Other

Deputy Assistant to the President
Commissioner, Atomic Energy Commission (4)
General Manager, Atomic Energy Commission
Director of Defense Research and Engineering
General Manager, Alaska Railroad, Department of the Interior
Under Secretary of State for Political Affairs

Group 6

\$21,500

Other

Deputy Administrator, NASA
Executive Director, Outdoor Recreation Review Committee
Deputy Director, U. S. Arms Control and Disarmament Agency

Group 7

\$21,000

Category IV of FEPA

Commissioner of Internal Revenue
Director of Central Intelligence
*** Director of the Federal Bureau of Investigation**
Administrator of General Services
Administrator of the Housing and Home Finance Agency
Administrator of Veterans' Affairs
Director of the United States Information Agency
Governor of the Farm Credit Administration
President of the Export-Import Bank of Washington

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM					
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CENTRAL INTELLIGENCE AGENCY OFFICIAL ROUTING SLIP STAT					
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2	<i>ER</i>				
3					
4					
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6					
ACTION		DIRECT REPLY		PREPARE REPLY	
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Remarks:

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